

D.Yu. Korabelnikova, A.K. Andreeva, L.A. Bartel
Ural Federal University named after the first President of Russia
B.N.Yeltsin
Yekaterinburg, Russia

FINANCIAL INSTRUMENTS OF THE STATE FOOD SECURITY: PROSPECTS FOR IMPROVEMENT

Abstract: The article consider the problem of food security on the example of palm oil import into Russia. The authors offer various ways of solving this issue, for example, through the system of customs and tax duties or the system of administrative penalties.

Key words: palm oil, taxation.

The problem of food security of the country and ways of its regulation are considered through the system of tax and customs fees in this article.

This problem can be associated with all types of food imported into our country but for this research, we selected a high-profile product, the palm oil. Nowadays the problem of increasing import and consumption of low-quality palm oil, which provides low cost manufacturing of food but affects the health of the population negatively, is topical in the world.

The production and consumption of palm oil are increasing every year, but its chemical composition, which does not often satisfy the necessary standards, causes dangerous consequences for people's health and even their lives. At the same time, the problem solution is ambiguous and has both social and economic consequences for the society and the state.

On the one hand, the low-quality palm oil consumption rise in the food industry leads to increased morbidity, loss of employees' productivity and additional state costs for medical and social care. On the other hand, the import customs payments provide a significant proportion of the state budget revenues and the low price of palm oil gives the availability of cheap socially important food products in retailing.

Today, a huge amount of palm oil is imported to the countries of Asia and Europe, as well as to the United States and Russia (Table 1).

Table 1 - Major importers of palm oil (million tonnes)

Name of the country	Period of time					Change, %
	2008	2009	2010	2011	2012	
India	6,9	6,6	6,7	7,3	7,7	11,6
China	6,1	5,8	5,7	5,8	6,4	4,9
European Union	5,5	5,4	4,6	5,2	5,4	-1,8
Pakistan	1,9	2,2	2,1	2,2	2,3	21
Malaysia	1,0	1,3	1,6	1,8	1,9	90
Egypt	1,0	1,2	1,3	1,4	1,4	40
USA	1,0	1,0	1,0	1,0	1,2	20
Bangladesh	0,7	1,0	1,0	1,0	1,1	57
Singapore	0,3	0,4	0,7	0,8	0,8	166,7
Japan	0,5	0,6	0,6	0,6	0,6	20

According to Table 1, the following conclusions can be drawn:

1) In 2008 in the countries with a high palm oil import, the low growth rates of its import were observed. At the same time, in the countries with a low value of the import, the rates of growth were significant. This fact may indicate increased consumption of palm oil in the world.

2) It can be noted that in 2012, in comparison with 2008, the supply of palm oil decreased only in the EU.

3) The sharp increase of the import is observed in Singapore.

The import of palm oil and its fractions into Russia has increased by 25.1% in 10 months of 2015, compared to the same period last year, to 702 thousand tons. Russia is also among the top ten countries that are the most significant importers. The main exporters of palm oil are Malaysia and Indonesia. Nowadays, there are no restrictions on import of palm oil in the world. Nevertheless, the Russian media are arguing about the restriction or ban on the import into our country.

Currently, the regulation of the imported palm oil flow into Russia is being exercised by the differentiated system of customs and tax payments, which depend on the fraction of the oil. The system of such payments can include (Table 2):

1) Value added tax (VAT), whose rates are differentiated for food and non-food products (10 and 18% accordingly);

2) Customs duties, whose rates are set for each category of imported goods, including palm oil; they also depend on the category of oil;

3) A special tax called an excise duty should be established for socially harmful goods (alcohol, tobacco, palm oil of poor quality).

Table 2 - Analysis of customs and tax instruments used to regulate import of palm oil

The category of palm oil (according to HS)		Rate, %		
		Custom duty	Excise duty	VAT
Crude oil	For technical or industrial use	0	No	18
	Manufacture of foodstuffs for human consumption:			
	In containers of a net weight of 20,000 kg or less	3	No	10
	Other	0	No	10
Solid fraction	In primary pack, the net content is not more than 1 kg	3	No	10
	In containers of a net weight of 20,000 kg or less	3	No	10 – consumption in food
	Other	0	No	18 - other
Other	For technical or industrial use	0	No	18
	Manufacture of foodstuffs for human consumption:			
	In containers of a net weight of 20,000 kg or less	3	No	10
	Other	0	No	10

In that way, it can be noted that the oil imported for technical or industrial use is exempt from customs duties, though VAT rate for this category of oil is increased. In addition, the categories of oil allocated to the commodity nomenclature do not correspond to the documents determining requirements to the quality characteristics of palm oil.

The next point is problems of import operations and stages of customs control while palm oil is imported into Russia. After analyzing the statistical information about the import volumes of palm oil to Russia, published on the official website of the Federal Customs Service, we compiled Table 3, which characterizes the volumes and value of the imported product.

Table 3 - General characteristics of imported palm oil in Russia in 2012-2015

Value	2012	2013	2014	2015	Change, %
Volume, thousand tons	659,2	746,6	706,3	888,9	34,9
Customs cost, million \$	756,2	644,1	642,2	641,9	-15,2

Based on the received data, it can be concluded that the customs cost varies inversely to the volume of the imported palm oil: the customs value is falling while the volume of the imported palm oil into Russia is increasing. Thus, the quality of imported oil is falling every year, as the price depends on the quality of the product.

Documentary, physical, laboratory kinds of control are applied at palm oil import, export and transit.

In that way, the low quality of the product is only one of the problems associated with the procedures for palm oil importing, but this is not the only problem. Observance of storage and handling conditions of palm oil used for food production and conditions of labeling are important elements of security. The customs service implements administrative control over these conditions.

One more key point is the main directions of the customs and tax payments improving. All directions of the import regulating can be divided into two groups:

- 1) Making the administrative procedures for quality control of the oil by state authorities more severe;

- 2) Using customs and tax payments as regulative tools.

The first group of measures includes:

- 1) The development and improvement of the Russian legislation in the production, transportation and storage of food products, especially palm oil. The verification of all imported products through appropriate examinations is necessary in order to prevent a bad quality product.

We consider it is necessary to return the sanitary passport for the control over goods transportation compliance to sanitary standards.

- 2) Some manufacturers suppress the fact that their product contains palm oil, but consumers should be aware of the composition of the products that they buy and eat, so the state must verify the bona fides of the manufacturers whose products contain this ingredient. For example, on the product package there should be an inscription "Contains palm oil" in a clear, large and black font on a white background in the frame. The inscription should occupy not less than 30% of the package.

- 3) The introduction of the punishment and fines system for breaking the standards of transportation and storage, the use of palm oil of poor quality, the manufacture of falsified products and the concealment of the product composition from the buyer.

The second group includes:

1) The increase of customs duties on technical fractions of palm oil to 3%. The main argument against the increase of the customs duty on the fractions, not destined for the food production, is the problem of rising prices for public goods, for example, cosmetics. On the other hand, the prices rise for low-quality technical fractions of palm oil will make their use in the food production not effective and will limit their illegal use in food products.

2) The rate of 0% for a customs duty can be recommended for high-quality palm oil fractions, in the case of their dividing in special groups. The customs cost of these fractions is high, but they can be used in the production of food without any harm to the health of citizens.

3) It is possible to pick up the least qualitative fraction of palm oil suitable for the food production and introduce an excise tax on it.

To sum up, these actions will stimulate the use of more qualitative fractions in the food industry and give prospects for the situation improvement in Russia.

Д.Ю. Корабельникова, А.К. Андреева, Л.А. Бартель
Уральский федеральный университет имени первого Президента
России Б.Н. Ельцина
Екатеринбург, Россия

ФИНАНСОВЫЕ ИНСТРУМЕНТЫ КАК ФАКТОР ОБЕСПЕЧЕНИЯ ПРОДОВОЛЬСТВЕННОЙ БЕЗОПАСНОСТИ РОССИИ

Аннотация: в статье рассматривается проблема продовольственной безопасности страны на примере импорта пальмового масла в Россию. В работе представлены различные пути решения вопроса, например, с помощью регулирования системой таможенных и налоговых пошлин или системой административных наказаний.

Ключевые слова: пальмовое масло, налоговые пошлины.

СПИСОК ЛИТЕРАТУРЫ:

1. Кисловский Ю.Г. История таможенного дела и таможенной политики России / Ю.Г. Кисловский, А.Е. Жерихов. М.: РУССИНА
2. Масло пальмовое и его фракции. Общие технические требования, Евразийский совет по стандартизации, метрологии и сертификации, г. Москва, 2013.
3. Решение ЕЭК № 317 от 18.06.2010 «О применении ветеринарно-санитарных мер в таможенном союзе»;
4. Решение Совета ЕЭК от 16 июля 2012 г. N 54 "Об утверждении единой Товарной номенклатуры внешнеэкономической деятельности Евразийского экономического союза и Единого таможенного тарифа Евразийского экономического союза".
5. Мировой рынок пальмового масла. URL: <http://foodnews-press.ru> (дата обращения: 14.09.2016).
6. Таможенная статистика внешней торговли 2012 – 2015 гг. URL: <http://stat.customs.ru/apex/f?p=201:2:2355365245050561::NO> (дата обращения: 10.09.2016).